

STATE OF WISCONSIN
BEFORE THE DEPARTMENT OF REGULATION AND LICENSING

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST

:
: FINAL DECISION AND ORDER

JAMES R. WALTERS.
SRET LAW SERVICES D/B/A
WISCONSIN PROTECTION AGENCY.
RESPONDENTS.

: LS 0912181 RSG
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[Division of Enforcement Case File #'s: 06RSG077, 06RSG080, 07RSG008,
07RSG50, 07RSG052, 07RSG060, 07RSG062, 07RSG070, 08RSG003,
08RSG024, 08RSG042, 08RSG044]

The parties to this action for the purpose of Wis. Stat. § 227.53 are:

James R. Walters
P.O. Box 835
Wisconsin Dells, WI 53965

Sretlaw Services D/B/A Wisconsin Protection Agency
P.O. Box 835
Wisconsin Dells, WI 53965

Department of Regulation and Licensing
1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708-8935

PROCEDURAL HISTORY

The parties in this matter agree to the terms of the attached Stipulation as the final decision of this matter, subject to the approval of the Department Secretary. The Department Secretary has reviewed this Stipulation and considers it acceptable.

The Department Secretary adopts the attached Stipulation and makes the following Findings of Fact, Conclusions of Law, and Order.

J. W. Walters
6/15/09

FINDINGS OF FACT

A. LICENSURE AND COMPLAINT INFORMATION

1. James R. Walters ("Respondent"), date of birth: 10/08/70, is licensed as a private security person, having permit #108- 37674. This license was first granted on: 01/26/09.
2. The last reported address on file with the Department of Regulation and Licensing ("Department") for the Respondent is: P.O. Box 835, Wisconsin Dells, Wisconsin 53965.
3. At all times relevant to the facts stated below, the Respondent was listed in Department records as the responsible licensee of Sretlaw Services D/B/A Wisconsin Protection Agency ("Sretlaw Services"). Sretlaw Services is licensed as a private detective agency, having license #062-15127. This license was first granted to Sretlaw Services on: 09/18/90; placed into unlicensed status on 05/29/99 and placed back into active status on January 6, 2009.
4. The last reported address on file with the Department for the Sretlaw Services is: P.O. Box 835, Wisconsin Dells, Wisconsin 53965.
5. As a registered private security person, the Respondent and Srtelaw Services were and are at all times relevant to this action responsible for compliance with Wisconsin Statutes, Chapter 440 and the Wisconsin Administrative Code for Private Detectives and Private Security Personnel, Chapter 35.
6. Between October 31, 2006 and November 17, 2008, the Department received eleven complaints from the public alleging unlicensed practice, fraudulent and deceptive practice, and unprofessional conduct by the Respondent and companies he was affiliated with. On December 21, 2007, a twelfth complaint was received from the Department's credentialing division alleging that one of the Respondent's employees, had submitted false information to the Department in order to obtain a private security permit. The complaint also alleged the employee may have used another licensee's permit number to engage in the practice of providing security services.
7. Based upon the information contained in the complaints, the Department opened all twelve complaints for investigation.

B. INVESTIGATIVE FINDINGS INVOLVING ALLEGATIONS OF CONSUMER COMPLAINTS AGAINST THE RESPONDENT AND SRETLOW SERVICES

8. During the course of the Department's investigation, the Department obtained documentation and responses from seven companies who contracted with the Respondent for private security services. To protect the identity of the companies, they are hereinafter referred

to as Company #1, Company #2, Company #3, Company #4, Company #5, Company #6, Company #7.

9. Security services to be provided by the Respondent to the companies included: providing uniformed security officers to provide security and that were authorized to carry batons, pepper spray, flashlights, and handcuffs while on duty. Firearms were not included as part of security detail.

I. Investigative Findings With Respect to Company #1

10. Documentation obtained during the course of the investigation indicates that the Respondent was retained to provide security services for Company #1 during the three following periods: May 27, 2005 through September 5, 2005; May 26, 2006 through September 4, 2006; and May 25, 2007 through September 3, 2007. Company #1 entered into contractual agreements for each period with the Respondent and two companies that he either has owned or is affiliated with: Sretlaw Services and Wisconsin Protection Agency ("WPA") (#062-16455; granted: 06/01/05; expired: 08/31/09)¹. A true and correct copy of the contracts involving Company #1 and the Respondent are attached as State's Exhibits 1-3. State's Exhibit 1 and 2 contain contracts that were signed by the Respondent on behalf of Sretlaw Service and/or WPA. State's Exhibit 3 is signed by former owner of WPA, Jody Walters (#108-37674; granted: 06/02/05; expired: 08/31/08).

11. Shift detail reports and invoices were completed by the Respondent during the second contractual period with Company #1². A true and correct copy of the shift detail reports and invoices involving Company #1 and the Respondent are attached as State's Exhibits 4-8. State's Exhibits 4-8 reveal that the Respondent provided uniformed security services on two dates for Company #1. At the time the security services were provided to Company #1, the Respondent and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

12. Additional invoices were completed by the Respondent during the second contractual period with Company #1. A true and correct copy of the invoices involving Company #1 and the Respondent are attached as State's Exhibits 9-13. State's Exhibits 9-13 reveal that the Respondent provided uniformed security services on four dates for Company #1. At the time the security services were provided to Company #1, the Respondent and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

13. During the third contractual period with Company #1, a 2007 WPA Security Report along with other supporting documentation reveals that the Respondent provided security services on two dates. A true and correct copy of the 2007 WPA Security Report and supporting documentation are attached as State's Exhibits 14-17.

¹ Sretlaw Services and Wisconsin Protection Agency would later merge into one company, which became known as Sretlaw Services D/B/A Wisconsin Protection Agency. According to Department records, Sretlaw merged with Wisconsin Protection Agency in January 2009.

² There are no shift and detail reports for the first contractual period involving Company #1.

14. Based on the results of the investigation, the Respondent along with private security company, Sretlaw Services, provided eight instances of unlicensed practice during the three contractual periods it had with Company #1

II. Investigative Findings With Respect to Company #2

15. Documentation obtained during the course of the investigation indicates that the Respondent was retained to provide security services for Company #2 during the three following periods: May 18, 2006 through September 4, 2006; May 17, 2007 with no end date specified; and May 15, 2008 with no end date specified. Company #2 entered into contractual agreements for each period with the Respondent and two companies that he either has owned or is affiliated with: Sretlaw Services and WPA. A true and correct copy of the contracts involving Company #2 and the Respondent are attached as State's Exhibits 18-20. State's Exhibit's 18-20 contains contracts that were signed by the Respondent on behalf of Sretlaw Service and/or WPA.

16. Invoices were completed by the Respondent during the first contractual period with Company #2. A true and correct copy of the shift detail reports and invoices involving Company #2 and the Respondent are attached as State's Exhibits 21-27. State's Exhibits 21-27 reveal that the Respondent provided uniformed security services on seventeen different dates for Company #2. At the time the security services were provided to Company #2, the Respondent and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

17. Additional invoices were completed by the Respondent during the third contractual period with Company #2³. A true and correct copy of the invoices involving Company #2 and the Respondent are attached as State's Exhibits 28-31. State's Exhibits 28-31 reveal that the Respondent provided uniformed security services on six dates for Company #2. At the time the security services were provided to Company #2, the Respondent and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

18. Based on the results of the investigation, the Respondent along with private security company, Sretlaw Services, provided twenty-three instances of unlicensed practice during the three contractual periods it had with Company #2.

III. Investigative Findings With Respect to Company #3

19. Documentation obtained during the course of the investigation indicates the Respondent was retained to provide security services for Company #3 during one period: June 22, 2008 with no end date specified. Company #3 entered into a contractual agreement with the Respondent and two companies that he either has owned or is affiliated with: Sretlaw Services and WPA. A true and correct copy of the contract is attached as State's Exhibit 32. State's Exhibit 32 is a contract that was signed by the Respondent on behalf of Sretlaw Service and/or WPA.

³ There are no shift and detail reports for the second contractual period involving Company #2.

20. Invoices were completed by the Respondent during the contractual period with Company #3. A true and correct copy of the shift detail reports and invoices involving Company #3 and the Respondent are attached as State's Exhibit 33. State's Exhibit 33 reveals that Ms. Jody Walters provided uniformed security services on two different dates for Company #3. At the time the security services were provided to Company #3, Ms. Walters and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

21. Based on the results of the investigation, the Respondent and Sretlaw Services provided two instances of unlicensed practice during the contractual period it had with Company #3.

IV. Investigative Findings With Respect to Company #4

22. Shift detail reports and invoices were obtained for services provided to Company #4 in 2005 and 2006 by the Respondent, Sretlaw Services and/or WPA. A true and correct copy of the shift detail reports and invoices involving Company #4 and the Respondent are attached as State's Exhibits 34-37. State's Exhibits 34-37 reveal that the Respondent provided uniformed security services on six dates to Company #4. The exhibits further show that Ms. Walters provided uniformed security services on three dates for Company #4. At the time the security services were provided to Company #4, the Respondent, Ms. Walters, and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

23. Based on the results of the investigation, the Respondent, Ms. Walters and Sretlaw Services provided nine instances of unlicensed practice for Company #4.

V. Investigative Findings With Respect to Company #5

24. Invoices and time records were obtained for services provided to Company #5 in 2005 and 2006 by the Respondent, Sretlaw Services and/or WPA. A true and correct copy of the invoices and time records involving Company #5 and the Respondent are attached as State's Exhibits 38-40. State's Exhibits 38-40 reveal that the Respondent provided uniformed security services on three dates to Company #5. At the time the security services were provided to Company #5, the Respondent and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

VI. Investigative Findings With Respect to Company #6

25. Invoices were obtained for services provided to Company #6 in 2006-2008 by the Respondent, Sretlaw Services and/or WPA. A true and correct copy of the invoices involving Company #6 and the Respondent are attached as State's Exhibits 41-48. State's Exhibits 41-48 reveal that the Respondent provided uniformed security services on nine dates to Company #6. The exhibits further show that Ms. Walters provided uniformed security services on one date for Company #6. At the time the security services were provided to Company #6, the Respondent, Ms. Walters and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

26. Based on the results of the investigation, the Respondent and Sretlaw Services provided ten instances of unlicensed practice for Company #6.

VII. Investigative Findings With Respect to Company #7

27. Invoices were retrieved for services provided to Company #7 in 2006-2008 by the Respondent, Sretlaw Services and/or WPA. A true and correct copy of the invoices involving Company #7 and the Respondent are attached as State's Exhibits #9-52. State's Exhibits 49-52 reveal that the Respondent provided uniformed security services on five dates to Company #7. The exhibits further show that Ms. Walters provided uniformed security services on four dates for Company #7. At the time the security services were provided to Company #7, the Respondent, Ms. Walters and Sretlaw Services were not licensed to provide security services in the State of Wisconsin.

28. Based on the results of the investigation, the Respondent, Ms. Walters and Sretlaw Services provided nine instances of unlicensed practice for Company #7.

C. INVESTIGATIVE FINDINGS WITH RESPECT TO UNLICENSED PRACTICE AND FRAUDULENT ACTIVITY INVOLVING GERALD K. PILLION

29. On April 17, 2007, Gerald K. Pillion, an employee of WPA, submitted an application for a private security permit. The application for a private security permit asks two questions regarding whether or not Mr. Pillion had pending criminal charges or convictions involving a misdemeanor or felony. Mr. Pillion answered "NO" to both questions. A true and correct copy of Mr. Pillion's application for a private security permit is attached as State's Exhibit 53.

30. A search of Mr. Pillion's records with the United States Department of Justice, Criminal Information Bureau indicated that misdemeanor and felony criminal charges were pending against Mr. Pillion. On April 20, 2007, the Department sent a letter to Mr. Pillion asking for more information regarding the pending charges against him. A true and correct copy of the April 20, 2007 Department letter sent to Mr. Pillion is attached as State's Exhibit 54.

31. The Department would not receive an answer to its April 20, 2007 letter from Mr. Pillion. On December 21, 2007, the Department received an inquiry from Company #8. Company #8 contacted the Department to inquire about the status of Mr. Pillion's security permit application because Mr. Pillion had submitted a copy of a permit. The permit that Mr. Pillion had submitted to the company as proof of his licensure was that of another person.

32. The Department conducted a credentialing inquiry into the matter involving Mr. Pillion. A Wisconsin Circuit Court Access Program (CCAP) check revealed Mr. Pillion had been convicted of two misdemeanor counts and one felony count on April 23, 2007. A Notice of Denial for a private security permit was supposed to be sent to Mr. Pillion on or around December 21, 2007 but the letter was never sent from the Department because Mr. Pillion never responded to the Department's April 20, 2007 inquiry. A true and correct copy of the December 21, 2007 Department memo is attached as State's Exhibit 55.

33. An investigation was conducted even further into the allegations surrounding Mr. Pillion by the Department's Division of Enforcement. The investigation concluded that the Respondent submitted false information to Company #8 surrounding Mr. Pillion's licensure status. The investigation also concluded that the Respondent permitted Mr. Pillion to provide unlicensed security services while employed with Sretlaw Services and/or WPA. A true and correct copy of the falsified licensure information and statements from Company #8 concerning unlicensed activity with the Respondent are attached as State's Exhibits 56-57.

34. In resolution of this matter, the Respondent and Sretlaw Services consents to the entry of the following Conclusions of Law and Order.

CONCLUSIONS OF LAW

1. The Department of Regulation and Licensing has jurisdiction to act in this matter pursuant to Wis. Stat. § 440.21.
2. The Department of Regulation and Licensing is authorized to enter into the attached Stipulation pursuant to Wis. Stat. § 227.44 (5).
3. Respondent, James R. Walters and Sretlaw Services, has violated:
 - a. Wis. Stats. §§ 440.26 (1)(a) and Wis. Admin. Code §§ RL 35.01(7)(19) by engaging in sixty-four (64) instances of unlicensed practice during the periods of March 2005-December 2008; and
 - b. Wis. Stats. §§ 440.26(5m)(6)(a)2.3.4 by engaging in fraudulent and deceptive activity by allowing a convicted felon to work as a security guard and allowing the convicted felon to use the private security permit number of another.

ORDER

NOW THEREFORE, IT IS HEREBY ORDERED that the attached Stipulation is hereby accepted.

DISCIPLINARY ACTION AGAINST SRETLAW SERVICES

NOW, THEREFORE, IT IS ORDERED that:

1. Sretlaw Services' private detective agency license (#62-15127) is hereby LIMITED for not less than five years. The following terms and conditions will apply for the next five years:
 - a. The effective date of the LIMITED license(s) shall be the dating and signing by this Order.

- b. Sretlaw Services shall file with the Department quarterly reports with the Department beginning on the following dates:

February 1, 2010;
June 1, 2010;
October 1, 2010;
and every February 1, June 1, and October 1, until further order of the Department.
2. Each report shall include:
 - a. The name, address, telephone number, and permit #'s of all licensed private security.
 - b. Any statements as to whether or not any licensed employers convicted of a crime (including Driving While Intoxicated (DWI) or Operating While Intoxicated - OWI) during the term of the Order **OR** if criminal charges are pending pursuant to Wis. Stat. § 440.26(4m) and Wis. Admin. Code §§ RL 4.09(2) and 35.01(2).
 - c. The name, address, telephone number, of any employers Sretlaw Services is providing security services to during the quarterly report period.
3. The limitations contained in this Order, in whole or in part, may be removed only upon a showing of successful compliance with all of the terms of this Order and in no event earlier than five years from the date of the signing of this Order by the Department of Regulation and Licensing. Sretlaw Services may petition the Board for the issuance of a private detective agency license without limitations following the five limitation period.
4. Failure by Sretlaw Services to timely comply with the terms of these limitations shall result in the revocation of the private detective agency license without further notice or hearing or other proceedings.
5. Any reports or documentation that needs to be received by the Board to show compliance with the terms of this Order shall be addressed to:

Department of Regulation and Licensing
Department Monitor
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935

(608) 267-3817 (phone)
(608) 266-2264 (fax)

DISCIPLINARY ACTION AGAINST JAMES R. WALTERS

NOW, THEREFORE, IT IS HEREBY ORDERED that: The Department of Regulation and Licensing **ACCEPTS** the **VOLUNTARY SURRENDER OF THE RIGHT TO RENEW** the private security permit of James R. Walters (#108-0037674), effective at midnight on January 2, 2010.

1. IT IS FURTHER ORDERED, that all rights and privileges granted to James R. Walters pursuant to private security permit #108-0037674, is hereby immediately *suspended* upon the dating and signing of this Order.
 2. IT IS FURTHER ORDERED, that James R. Walters shall not be granted a credential under chapter 440 of the Wisconsin Statutes for a minimum period of eighteen months (January 2, 2010-July 2, 2011). During the eighteen month period, the denial, in whole or in part, of any application or petition by James R. Walters for a credential authorized under chapter 440 of the Wisconsin Statutes shall not constitute denial of a license and shall not give rise to a contested case within the meaning of sections 227.01 (3) and 227.42 of the Wisconsin Statutes.
 3. IT IS FURTHER ORDERED, that at any time after the eighteen month period, James R. Walters may petition the Department of Regulation and Licensing for reinstatement of credentials. This petition will be granted if it affirmatively and unequivocally states in writing, signed under oath, the following:
 - a. That James R. Walters has not engaged in the practice of private security services in the State of Wisconsin during the time he has not been licensed. This Order will not preclude Mr. Walters from being allowed to manage Sretlaw Services;
 - b. That Mr. Walters has not been the subject of further disciplinary action by the State of Wisconsin. "Further disciplinary action" shall be further limited to include only disciplinary actions that substantially relate to the Respondent's competence and integrity to provide security services;
 - c. That Mr. Walters is not, at the time of the filing of the Petition with the Board, a subject of a pending investigation by the Division of Enforcement of the Department of Regulation and Licensing;
 - d. That Mr. Walters has not been arrested or charged with criminal activity that substantially relates to the practice of private security
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- 11/15/09*

services since the voluntary surrender of his private security credential; and

- e. That Mr. Walters has not been convicted of any crime that substantially relates to the practice of private security since the voluntary surrender of his private security credential.
4. IT IS FURTHER ORDERED, that if Mr. Walters ever petitions for reinstatement or applies for any license offered by the Department of Regulation and Licensing in the State of Wisconsin, then he shall pay the costs of investigating and prosecuting this matter in the amount of **EIGHT THOUSAND DOLLARS (\$8,000.00)**.
5. IT IS FURTHER ORDERED, that a down payment of **FIVE HUNDRED DOLLARS (\$500.00)** shall be submitted within ninety (90) days from the reinstatement of James R. Walter's license and will due every ninety (90) days from the previous payment until the full **EIGHT THOUSAND DOLLARS (\$8,000.00)** is paid. Payments shall be made by certified check or money order, payable to the Wisconsin Department of Regulation and Licensing.
6. Any payments, that needs to be received by the Board to show compliance with the terms of this Order shall be addressed to:

**Department of Regulation and Licensing
Department Monitor
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935
(608) 267-3817 (phone)
(608) 266-2264 (fax)**

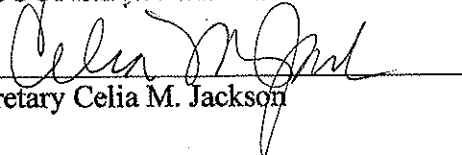
7. IT IS FURTHER ORDERED, that failure to adhere to the terms of this Order will be considered a violation of the Department.

This Order shall become effective upon the date of its signing.

IT IS FURTHER ORDERED, that files **06RSG077, 06RSG080, 07RSG008, 07RSG050, 07RSG052, 07RSG060, 07RSG062, 07RSG070, 08RSG003, 08RSG024, 08RSG042, 08RSG044** be, and hereby is, closed as to James R. Walters and Sretlaw Services.

Dated this 16th day of December, 2009.

WISCONSIN DEPARTMENT OF REGULATION AND LICENSING

By 
Secretary Celia M. Jackson

12/16/09
Date

11/15/09

STATE OF WISCONSIN
BEFORE THE DEPARTMENT OF REGULATION AND LICENSING

IN THE MATTER OF DISCIPLINARY
ACTION AGAINST

:
:
:
: STIPULATION

JAMES R. WALTERS.
SRETLOW SERVICES D/B/A
WISCONSIN PROTECTION AGENCY.
RESPONDENTS.

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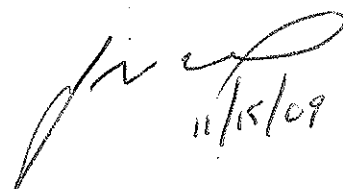
[Division of Enforcement Case File #: 06RSG077, 06RSG080, 07RSG008, 07
RSG050, 07RSG052, 07RSG060, 07RSG062, 07RSG070, 08RSG003,
08RSG024, 08RSG042, 08RSG044]

It is hereby stipulated between James R. Walters, Sretlow Services D/B/A
Wisconsin Protection Agency ("Respondents") and Attorney Angela L. Arrington for the
Department of Regulation and Licensing, Division of Enforcement, as follows:

1. This Stipulation is entered into as a result of a pending investigation
against the Respondents by the Division of Enforcement (Case File #'s: 06RSG077,
06RSG080, 07RSG008, 07 RSG050, 07RSG052, 07RSG060, 07RSG062,
07RSG070, 08RSG003, 08RSG024, 08RSG042, 08RSG044). Respondents consent to the
resolution of this investigation by stipulation and without the issuance of a formal
complaint.

2. Respondents understand that by signing this Stipulation they voluntarily
and knowingly waive the following rights:

- the right to a hearing on the allegations against them, at which time the State has
the burden of proving those allegations by a preponderance of the evidence;
- the right to confront and cross-examine the witnesses against them;
- the right to call witnesses on their behalf and to compel their attendance by
subpoena;
- the right to testify themselves;
- the right to file objections to any proposed decision and to present briefs or oral
arguments to the officials who are to render the final decision; and


11/15/09

- the right to petition for rehearing; and all other applicable rights afforded to them under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, and the Wisconsin Administrative Code.

3. Respondents have had the opportunity to consult with legal counsel regarding these matters and the legal implications of this Stipulation.

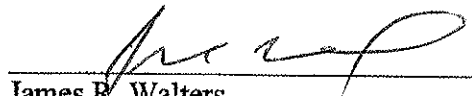
4. The Respondents agree to the adoption of the attached Administrative Injunction by the Secretary of the Department of Regulation and Licensing. The parties to the Stipulation consent to the entry of the attached without further notice, pleading, appearance or consent of the parties. Respondents waive all rights to any appeal of the Secretary's order, if adopted in the form as attached.

5. If the terms of this Stipulation are not acceptable to the Secretary of the Department of Regulation and Licensing, the parties shall not be bound by the contents of this Stipulation or the proposed Administrative Injunction. The matter shall then be returned to the Division of Enforcement for further proceedings. In the event that the Stipulation is not accepted by the Secretary, the parties agree not to contend that the Secretary has been prejudiced or biased in any manner by the consideration of this attempted resolution.

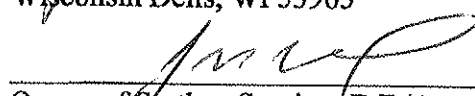
6. The parties to this Stipulation agree that the attorney or other agent for the Division of Enforcement may appear before the Secretary without the presence of the Respondent or his attorney, for purposes of speaking in support of this agreement and answering questions that the Secretary may have in connection with the deliberations on the Stipulation.

7. Respondents have been informed that should the Secretary adopt this Stipulation, the Secretary's Administrative Injunction is a public record and will be published in accordance with standard Department procedure.

8. The Division of Enforcement joins the Respondent in recommending that the Secretary adopt this Stipulation and issues the attached Administrative Injunction.

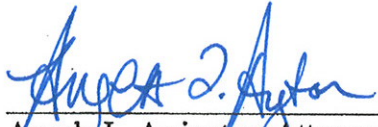

James R. Walters
P.O. Box 835
Wisconsin Dells, WI 53965

11/15/09
Date


Owner of Stetlaw Services D/B/A
Wisconsin Protection Agency
(Owner Signature Required)
P.O. Box 835

11/15/09
Date


Wisconsin Dells, WI 53965



Angela L. Arrington, Attorney
Department of Regulation and Licensing
Division of Enforcement
1400 E. Washington Avenue
Madison, WI 53703

11/19/09
Date

[case #'s 06RSG077, 06RSG080, 07RSG008, 07RSG050, 07RSG052, 07RSG060,
07RSG062, 07RSG070, 08RSG003, 08RSG024, 08RSG042, 08SRG044/ Eighteen
Month Voluntary Surrender of James R. Walters' credential/Five Year Limited License
of Strelaw Services Credential-Costs-\$8,000.00]



11/15/09